

MINUTES OF THE SPECIAL MEETING OF THE INDUSTRIAL DEVELOPMENT
AUTHORITY (IDA) OF THE CITY OF CASA GRANDE HELD JANUARY 28, 2015 IN THE
CITY HALL COUNCIL CHAMBERS, 510 E. FLORENCE BLVD., CASA GRANDE,
ARIZONA, AT THE HOUR OF 4:00 P.M.

MEMBERS PRESENT:	David Fitzgibbons	President
	Kirk McCarville	Vice President
	Tommy Caywood	Secretary/Treasurer
	Richard O'Neil	Assistant Secretary/Treasurer
	Kara Cooper	Member
	Ole Solberg	Member
	David Brett Benedict	Member
	Dennis Dugan	Member
	Dennis Jenkins	Member

MEMBERS ABSENT: None

OTHERS PRESENT: Margaret Pieper, Recording Secretary

Call to Order

President Fitzgibbons called the meeting to order at 4:00 p.m.

Roll Call

Roll call established a quorum was present. Member Jenkins arrived at 4:05 p.m.

Approval of Minutes – December 17, 2014 Meeting

Member Dugan moved to approve the minutes of the December 17, 2014 meeting as presented. Motion was seconded by Member O'Neil and carried unanimously.

Discussion of Finances and Approval of Treasurer's Report

Closing costs for the property at 408/412 N. Florence Street were \$41,337.40 which leaves a balance in the checking account of \$175,290.75. There being no further discussion, Member Dugan moved to approve the Treasurer's Report as presented. Motion was seconded by Member Benedict and carried unanimously.

Old Business

A. Report on Property Purchase at 408/412 N. Florence Street, Casa Grande, AZ

President Fitzgibbons stated he signed the closing documents on the property.

1. Discussion and Possible Action Regarding Building Repairs

Member McCarville reminded the Board the purchase price was reduced by \$10,000 to cover the costs of anticipated repairs to the property. President Fitzgibbons invited the IDA's Property Manager, Paula Lambert, AZ New Horizon Realty, Casa Grande, to address the Board. She stated Kyle Myers, KM Real Estate Inspection, estimated the repair costs at \$10,000. After discussion, the Board asked Ms. Lambert to get estimates for all structural repairs necessary so that the building could be leased. In response to Ms. Lambert's request, the Board also directed her to proceed in getting the utilities turned on.

B. Report from Subcommittee on Leasing Property at 408/412 N. Florence Street, Casa Grande, AZ and Possible Action Regarding a Tenant

The leasing subcommittee included Members Solberg, McCarville and Jenkins. Ms. Lambert stated Robert and Danielle Delsi were the only ones that expressed a serious interest in leasing the building. The subcommittee met with Ms. Lambert and the Delsi's to review their background, business plan and lease application. The proposed lease includes no rent for the first 12 months in return for the tenant doing all the interior improvements and getting the necessary permits and inspections to bring the building up to the City's code requirements, which is estimated to cost the tenant \$25,000 or more. The proposal for year two rent is an annual amount of \$25,200, paid monthly. The rent for years three and four is proposed to increase three percent annually. The subcommittee recommended leasing out 408 and 412 N. Florence Street separately. The 408 building is approximately 1,400 square feet and the 412 building is approximately 3,900 square feet.

Danielle and Robert Delsi, 1322 E. 12th Street, Casa Grande addressed the Board. They are interested in leasing 412 N. Florence Street to open an Old Towne Ale House with the intent to offer bottled beer, cocktails and wine, along with prepackaged snacks. They are interested in complimenting and working with the current downtown restaurants and businesses. Mindy McWherter-Dawkins, Realty Executives, 404 N. Marshall Street, Casa Grande, introduced herself to the Board and said she is working with the Delsi's. She also said the Delsi's have a budget for tenant improvements.

The Board agreed the lease amount needs to cover the cost of owning the building, including the loan payment, property taxes and insurance. Member O'Neil moved to have the leasing subcommittee work with Ms. Lambert to negotiate the terms of the lease with the Delsi's for not less than \$6.00 per square foot for the 412 N. Florence Street property. Motion was seconded by Member Benedict and carried unanimously.

New Business

A. Election of Officers

The nominating committee included Members Dugan and Jenkins and having contacted all current officers, they recommended continuing with the current slate of officers. Hearing no other recommendations, the Board agreed to keep the present officers: David Fitzgibbons, President; Kirk McCarville, Vice President; Tommy Caywood, Secretary/Treasurer; and Rick O'Neil, Assistant Secretary/Treasurer. These officers will serve until the next annual meeting in 2016.

B. Appointment of Committee to Review Property Insurance Coverage on IDA Owned Properties
Ms. Lambert agreed to President Fitzgibbons' request to review the insurance policies on all the IDA owned properties with Rhonda Vanderslice of Farm Bureau Financial Services and report back to the Board.

C. Report from Subcommittee on Vision of the IDA

The IDA vision subcommittee included Members Benedict, O'Neil and Cooper. They would like the IDA to focus on networking with other organizations that have an interest in promoting economic development in the area, similar to the purpose of the IDA. This may help the IDA in determining their direction and vision. The subcommittee will let Ms. Pieper know who they will invite to the February 25th meeting so it can be placed on the agenda.

Future Agenda Items

The current property management agreement with Paula Lambert, AZ New Horizon Realty was approved by the Board in May, 2014 to extend through the end of 2014. Therefore it will be placed on the next agenda for renewal. The vision subcommittee will invite an organization with an economic development purpose to the next meeting. There will be a report from the leasing subcommittee.

Next Meeting Date

The next meeting will be February 25, 2015.

Call to the Public

None.


Adjournment

Member McCarville moved to adjourn the meeting at 4:53 p.m. Motion was seconded by Member Solberg and carried unanimously.

Submitted by Margaret Pieper, Recording Secretary of the Industrial Development Authority of the City of Casa Grande, to the City Council, subject to the Authority's approval.

Approved this 25 day of February, 2015 by the
Industrial Development Authority of the City of Casa Grande.

ATTEST:


Secretary of the Industrial Development
Authority of the City of Casa Grande